

November 23, 2021

**VIA CERTIFIED MAIL (return receipt requested)
AND VIA E-MAIL**

Mr. Michael Boutte
Medicaid Deputy Director – Program Operations and Compliance Division
Louisiana Department of Health
628 North 4th Street
Baton Rouge, Louisiana 70821
Email: Michael.Boutte@la.gov

**Re: Appeal of November 12, 2021 Notice of Monetary Penalty –
Implementation of Pharmacy Diagnosis Codes**

Dear Mr. Boutte:

Pursuant to Section 22.0 of the LDH-LHCC January 1, 2020 Contract (“Contract”), Amendment 3, please accept this letter as Louisiana Healthcare Connections, Inc.’s (“LHCC”) appeal of the November 12, 2021 Notice of Monetary Penalty – Failure to Implement Pharmacy Diagnosis Codes issued by the Louisiana Department of Health (“LDH”). LDH imposes a \$115,000.00 penalty resulting from LHCC’s alleged failure to implement diagnosis codes at point-of-sale for the drug Vivitrol. LDH asserts that “[C]laims data reviewed for the time period April 8, 2021 through September 20, 2021, showed 7 Vivitrol claims with invalid diagnosis codes and 16 Vivitrol claims with missing diagnosis codes”. A copy of LDH’s November 12, 2021 Notice of Monetary Penalty correspondence (“NOMP”) is enclosed for your convenience and marked as Exhibit A.¹

A. Multiple Diagnosis Codes included in Claims Are Not Recognized by LDH’s Encounter System – Four (4) Claims

When submitting claims to LHCC, pharmacists may include multiple diagnosis codes (up to five) with each claim submission. LDH’s current system only recognizes one diagnosis code per claim even though multiple codes may be included. We understand that LDH is currently updating its system to capture all codes submitted with each claim. Once your system is updated, we will resubmit these claims so that all diagnosis codes can be captured.

LDH’s system captures the first code included on a claim but not subsequent included codes. This process resulted in LDH determining that the Vivitrol diagnosis code was not included in four (4) of the twenty-three (23) instances cited in the NOMP resulting in an imposition of a \$20,000

¹ LHCC is continuing to investigate LDH’s assertion that it failed to implement diagnosis codes for Naltrexone tablets resulting in a Notice of Action included in the above referenced November 12, 2021 correspondence. LHCC reserves the right to appeal such decision in accordance with the provisions of the LHCC\LDH contract.

penalty. As demonstrated by the attached claim screenshots, the Vivitrol diagnosis code was correctly included in the submitted claims, the patient received medication and LHCC compensated the pharmacist as required. Please see Exhibit B.

As a result, in these four cases, LHCC complied with its contractual requirements as the applicable diagnosis code was timely implemented, included on claims submitted and processed and received by LDH. Therefore, we request that LDH reduce the penalty amount included in the NOMP by the sum of \$20,000.00

B. Emergency Override – One (1) Claim

As demonstrated above, LHCC timely implemented the Vivitrol diagnosis code as instructed by LDH. However, in this particular instance, the pharmacist, at the POS and as authorized, used the emergency code override (#11112222333) to prescribe the medication. This process is approved by LDH. This resulted in LHCC's member receiving the required medication and the pharmacist being compensated for his/her services. We have attached as Exhibit C evidence of LDH's approval of emergency override for Vivitrol and LDH's guidance on the subject. Furthermore, LDH\LHCC contract provision 6.3.7.3.1.2 also allows a pharmacist override in this circumstance. We request that LDH reduce the penalty amount included in the NOMP by the sum of \$5,000.00.

C. Initially Rejected Claims Timely Reconsidered and Filled – Eighteen (18) Claims

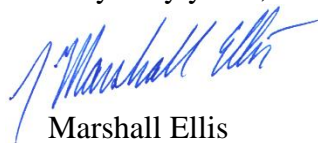
As it relates to the remaining eighteen (18) claims referenced in the NOMP, claims were rejected because the pharmacist used an incorrect code or the code was missing. Upon notice of the rejection, the pharmacist contacted LHCC's PBM. After further discussions between the pharmacist and the PBM it was determined that Vivitrol would be provided to our member in each of the eighteen (18) cases. In conclusion, each member received the medication prescribed and each pharmacist/pharmacy was appropriately compensated. Finally, we respectfully request that the penalties (\$90,000.00) associated with these claims be rescinded.

D. Evidence of POS edit being in place to require correct diagnosis code.

Exhibit D contains screen shots of the error message a pharmacist receives when submitting a Vivitrol claim without a required diagnosis code, demonstrating that LHCC's PBM has implemented the point of sale edit to require correct diagnosis code for Vivitrol.

We appreciate your consideration of our appeal and look forward to hearing from you. Should you have any questions, please do not hesitate to contact me.

Very truly yours,



Marshall Ellis
Vice President, Operations

Attachments

CC via e-mail (with attachments):

Jamie Schlottman

Joe Sullivan

EXHIBIT A

1. Multiple Diagnosis Codes included in Claims Are Not Recognized by LDH's Encounter System – Four (4) Claims – Please see attached the four (4) screenshots that evidence that the correct Vivitrol diagnosis code was included on each respective claim

```
RCTCD005  DISPLAY  Caremark RxClaim 11/17/21
CENCHALL  Claim Transaction Details 12:08:54
RxCLAIM# 212283421960206 1 Sbm Dt 8/16/21 Ver D0 Tran Cd B1
BIN 004336 Proc Ctrl MCAIDADV Sbm Grp RX5444 Pd Dt COB 01
Pharmacy: Q1 07 ID 958898 Name CVS SPECIALTY 02921 Ph 800/238-7828
Rx/Srv: Q1 1 Nbr 22224612 Rf 02 Fill Dt 8/16/21 Prsn 01 DOB 1/14/1977
C 5444 A 19011R3 G STD118R3EXP X 0190STD P CENT-LA01
Member ID U2299692301 Sex M Price Submit Calc Approved
Nm GUILLEN, NESTOR Cost 2972.11 1426.61 1426.61
Eff: From 10/01/20 Thru 12/31/39 Rel 1 Fee 5.00
Prod: Qual 03 ID 65757030001 FTax .10 .10 .10
Name VIVITROL INJ 380MG Gen Ind N %Tax
Mfg ALKERMES GPI 93400030001920 Inc
MQty Dsp Qty 1.000 UOM OPPR
DS 28 Cpd 1 PSC 0 Fcl OTH
PA: Ty ME # CNC7002040A QP Prof
Presc: Qual 01 ID 1194365114 Pat
Name NUCKLEY KELLY M COB
Dx: Qual 02 Diag F330 Due 2977.21 1426.71 1426.71
Sts P Rej UC/W 2977.11
Local Msg MANUFACTURER COPAY CARD NOT ELIGIBLE X
F2=Call Tracking F3=Exit F6=Reverse F7=Detail F10=Reject F12=Previous
F14=Note F15=Price F16=Sbm F17=DUR F18=Rej Clm Plan Option F24=More keys

RCDCA001  DISPLAY  Caremark RxClaim 11/17/21
CENCHALL  Submitted Additional Diagnosis Code 12:21:14
RxCLAIM# 212283421960206 1 Date Submitted 8/16/2021 Vers D0 Trans Cd B1
BIN/IIN 004336 PCN MCAIDADV Grp RX5444
Pharmacy: Q1 01 ID 1043382302 Dt of Service 8/16/2021
Rx/Srv: Q1 1 Nbr 22224612 Fill 02 Cert ID D042HBSSPC
Diagnosis Code Count 3
----- Q1 Prior ----- Diagnosis -----
02 ICD10 - Intl Cls Diseases F331 Major depressive disorder, recur
02 ICD10 - Intl Cls Diseases F1020 Alcohol dependence, uncomPLICATE
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RCTCD005  DISPLAY          Caremark RxClaim                      11/17/21
CENCHALL          Claim Transaction Details                      12:29:54
RxCLAIM# 211733600443055 1 Sbm Dt 6/22/21 Ver D0 Tran Cd B1
BIN 004336 Proc Ctrl MCAIDADV Sbm Grp RX5444 Pd Dt COB 01
Pharmacy: Q1 07 ID 3958898 Name CVS SPECIALTY 02921 Ph 800/238-7828
Rx/Srv: Q1 1 Nbr 22224612 Rf 01 Fill Dt 6/22/21 Prsn 01 DOB 1/14/1977
C 5444 A 19011R3 G STD118R3EXP X 0190STD P CENT-LA01
Member ID U2299692301 Sex M Price Submit Calc Approved
Nm GUILLEN, NESTOR Cost 2972.11 1426.61 1426.61
Eff: From 10/01/20 Thru 12/31/39 Rel 1 Fee 5.00
Prod: Qual 03 ID 65757030001 FTax .10 .10 .10
Name VIVITROL INJ 380MG Gen Ind N %Tax
Mfg ALKERMES GPI 93400030001920 Inc
MQty Dsp Qty 1.000 UOM OPRR
DS 28 Cpd 1 PSC 0 Fcl OTH
PA: Ty ME # CNC7002040A QP Prof
Presc: Qual 01 ID 1194365114 Pat
Name NUCKLEY KELLY M COB
Dx: Qual 02 Diag F330 Due 2977.21 1426.71 1426.71
Sts P Rej UC/W 2977.11
Local Msg MANUFACTURER COPAY CARD NOT ELIGIBLE X
F2=Call Tracking F3=Exit F6=Reverse F7=Detail F10=Reject F12=Previous
F14=Note F15=Price F16=Sbm F17=DUR F18=Rej Clm Plan Option F24=More keys

RCDCA001  DISPLAY          Caremark RxClaim                      11/17/21
CENCHALL          Submitted Additional Diagnosis Code          12:30:21

RxCLAIM# 211733600443055 1 Date Submitted 6/22/2021 Vers D0 Trans Cd B1
BIN/IIN 004336 PCN MCAIDADV Grp RX5444
Pharmacy: Q1 01 ID 1043382302 Dt of Service 6/22/2021
Rx/Srv: Q1 1 Nbr 22224612 Fill 01 Cert ID D042HBSSPC
Diagnosis Code Count 3

----- Qualifier ----- Diagnosis -----
02 ICD10 - Intl Cls Diseases F331 Major depressive disorder, recur
02 ICD10 - Intl Cls Diseases F1020 Alcohol dependence, uncompleate

```

```

RCTCD005  DISPLAY          Caremark RxClaim                      11/17/21
CENCHALL          Claim Transaction Details                      12:31:16
RxCLAIM# 211464603927175 1 Sbm Dt 5/26/21 Ver D0 Tran Cd B1
BIN 004336 Proc Ctrl MCAIDADV Sbm Grp RX5444 Pd Dt COB 01
Pharmacy: Q1 07 ID 3958898 Name CVS SPECIALTY 02921 Ph 800/238-7828
Rx/Srv: Q1 1 Nbr 22224612 Rf 00 Fill Dt 5/26/21 Prsn 01 DOB 1/14/1977
C 5444 A 19011R3 G STD118R3EXP X 0190STD P CENT-LA01
Member ID U2299692301 Sex M Price Submit Calc Approved
Nm GUILLEN, NESTOR Cost 2972.11 1426.61 1426.61
Eff: From 10/01/20 Thru 12/31/39 Rel 1 Fee 5.00
Prod: Qual 03 ID 65757030001 FTax .10 .10 .10
Name VIVITROL INJ 380MG Gen Ind N %Tax
Mfg ALKERMES GPI 93400030001920 Inc
MQty Dsp Qty 1.000 UOM OPRR
DS 28 Cpd 1 PSC 0 Fcl OTH
PA: Ty ME # CNC7002040A QP Prof
Presc: Qual 01 ID 1194365114 Pat
Name NUCKLEY KELLY M COB
Dx: Qual 02 Diag F330 Due 2977.21 1426.71 1426.71
Sts P Rej UC/W 2977.11
Local Msg MANUFACTURER COPAY CARD NOT ELIGIBLE X
F2=Call Tracking F3=Exit F6=Reverse F7=Detail F10=Reject F12=Previous
F14=Note F15=Price F16=Sbm F17=DUR F18=Rej Clm Plan Option F24=More keys

RCDCA001  DISPLAY          Caremark RxClaim                      11/17/21
CENCHALL          Submitted Additional Diagnosis Code          12:31:35

RxCLAIM# 211464603927175 1 Date Submitted 5/26/2021 Vers D0 Trans Cd B1
BIN/IIN 004336 PCN MCAIDADV Grp RX5444
Pharmacy: Q1 01 ID 1043382302 Dt of Service 5/26/2021
Rx/Srv: Q1 1 Nbr 22224612 Fill 00 Cert ID D042HBSSPC
Diagnosis Code Count 3

----- Qualifier ----- Diagnosis -----
02 ICD10 - Intl Cls Diseases F331 Major depressive disorder, recur
02 ICD10 - Intl Cls Diseases F1020 Alcohol dependence, uncompleate

```

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RCTCD005  DISPLAY                      Caremark RxClaim                      11/17/21
CENCHALL                                     Claim Transaction Details          12:32:46
RxCLAIM# 211174793956118 1 Sbm Dt 4/27/21 Ver D0 Tran Cd B1
BIN 004336 Proc Ctrl MCAIDADV Sbm Grp RX5444 Pd Dt COB 01
Pharmacy: Q1 07 ID 3958898 Name CVS SPECIALTY 02921 Ph 800/238-7828
Rx/Srv: Q1 1 Nbr 22040464 Rf 00 Fill Dt 4/27/21 Prsn 01 DOB 1/14/1977
C 5444 A 19011R3 G STD118R3EXP X 0190STD P CENT-LA01
Member ID U2299692301 Sex M Price Submit Calc Approved
Nm GUILLEN, NESTOR Cost 2972.11 1426.61 1426.61
Eff: From 10/01/20 Thru 12/31/39 Rel 1 Fee 5.00
Prod: Qual 03 ID 65757030001 FTax .10 .10 .10
Name VIVITROL INJ 380MG Gen Ind N %Tax
Mfg ALKERMES GPI 93400030001920 Inc
MQty 30 Dsp Qty 1.000 UOM OPPR
DS 30 Cpd 1 PSC 0 Fcl OTH
PA: Ty ME # CNC7002040A QP Prof
Presc: Qual 01 ID 1194365114 Pat
Name NUCKLEY KELLY M COB
Dx: Qual 02 Diag F330 Due 2977.21 1426.71 1426.71
Sts P Rej UC/W 2977.11
Local Msg MANUFACTURER COPAY CARD NOT ELIGIBLE X
F2=Call Tracking F3=Exit F6=Reverse F7=Detail F10=Reject F12=Previous
F14=Note F15=Price F16=Sbm F17=DUR F18=Rej Clm Plan Option F24=More keys

RCDCA001  DISPLAY                      Caremark RxClaim                      11/17/21
CENCHALL                                     Submitted Additional Diagnosis Code 12:33:03
RxCLAIM# 211174793956118 1 Date Submitted 4/27/2021 Vers D0 Trans Cd B1
BIN/IIN 004336 PCN MCAIDADV Grp RX5444
Pharmacy: Q1 01 ID 1043382302 Dt of Service 4/27/2021
Rx/Srv: Q1 1 Nbr 22040464 Fill 00 Cert ID D042HBSSPC
Diagnosis Code Count 3

----- Qual -----
02 ICD10 - Intl Cls Diseases F331 Major depressive disorder, recur
02 ICD10 - Intl Cls Diseases F1020 Alcohol dependence, uncomPLICATE

```

EXHIBIT B

1. Emergency Override – One (1) Claim – Please see the below LDH guidance and emergency override authority for Vivitrol.

DUR January 20, 2021 Review Programming

Diagnosis Code Requirement POS Edit

- **Lucemyra® (Lofexidine) – (FFS and MCO)**
Pharmacy claims for lofexidine (Lucemyra®) must be submitted with a diagnosis code for **ONE** of the following:
 - Opioid abuse with withdrawal – F11.13
 - Opioid dependence with withdrawal – F11.23
 - Opioid use, unspecified with withdrawal – F11.93
- **Naltrexone Tablets – (FFS and MCO)**
Pharmacy claims for naltrexone tablets must be submitted a diagnosis code for **ONE** of the following:
 - Opioid dependence (F11.2*)
 - Alcohol dependence (F10.2*)

** Any number or letter or combination of UP TO FOUR numbers and letters of an assigned ICD-10-CM diagnosis code*
- **Other Interferons (MCO Only) – See Table 1 at the end of document**
- **Hormones (MCO Only) - See Table 1 at the end of document**
- **Topical (MCO Only) - See Table 1 at the end of document**
- **Triptans (MCO Only) - See Table 1 at the end of document**
 - Diagnosis only required if recipient is younger than 18 years of age
- **Risk Factors Required with Orlistat Use (MCO Only) – See Table 1 at the end of document**
 - Claim must be submitted with a diagnosis code for one of the risk factors warranting Orlistat use.

A pharmacy claim will deny at Point of Sale (POS) when there is a missing or invalid diagnosis code submitted in NCPDP field 424-DO (Diagnosis Code) with:

NCPDP rejection code 39 (Missing or Invalid ICD-10 diagnosis code) mapped to EOP 8 (Missing or invalid ICD-10 diagnosis code)

Allow emergency override with a "03" in NCPDP field 418-DI (Level of Service) specifying an emergency prescription. In the past, FFS has only allowed an emergency override because there are not NCPDP "reason for service codes" to correspond to a diagnosis code edit.

If diagnosis code is not an acceptable diagnosis (not on list): would have to meet criteria for Medical Necessity.

2. Please see screen shot of pharmacy claim system indicating emergency override code used to process claim.

```

RCTCD005  DISPLAY                      Caremark RxClaim                      11/15/21
CENCHALL                                     Claim Transaction Details          14:59:09
RxCLAIM# 212993210859122 3             Sbm Dt 10/26/21                      Ver D0 Tran Cd B1
BIN 004336 Proc Ctrl MCAIDADV          Sbm Grp RX5444                      Pd Dt          COB 01
Pharmacy: Q1 07 ID 1938464             Name NATIONAL PHARMACY LTC          Ph 225/766-7828
Rx/Srv: Q1 1 Nbr 0734500               Rf 00 Fill Dt 7/08/21 Prsn 01        DOB 11/19/1980
C 5444 A 19011R9                       G STD118R9EXP X 0190STD P CENT-LA01V
Member ID U1081766101                 Sex F Price Submit Calc Approved
Nm REVELS, TIFFANY                    Cost 2038.02 1366.73 1366.73
Eff: From 12/01/17 Thru 12/31/39 Rel 1 Fee 12.00 10.99 10.99
Prod: Qual 03 ID 65757030001          FTax .10 .10
Name VIVITROL INJ 380MG Gen Ind N %Tax 63.69
Mfg ALKERMES CPT 93400030001920 Inc
Qty 3 Dsp Qty 1.000 UOM EA OPPR
DS 3 Cpd 1 PSC 0 Fcl 1 OTH
PA: Ty 1 # 11112222333 QP Prof
Presc: Qual 01 ID 1972100039 Pat
Nm TELM TORMA COB
Dx: Qual Diag 2113.71 1377.82 1377.82
Sts P Rej Due UC/W 2122.94
Local Msg X
F2=Call Tracking F3=Exit F6=Reverse F7=Detail F10=Reject F12=Previous
F14=Note F15=Price F16=Sbm F17=DUR F18=Rej Clm Plan Option F24=More keys

```

EXHIBIT C

1. List of claims which initially rejected by POS edit due to missing/incorrect diagnosis code, however, were overridden and paid after pharmacist called PBM following initial rejection:

rx_nbr	DOS	Age_Bucket	mbr_id	mbr_fname	mbr_lname	NDC
0032792	07Jun2021	91 - 120 days	U1837738201	JESSICA	JENKINS	65757030001
0186854	07Jun2021	61 - 90 days	U1499337901	JOSEPH	MANDELLA	65757030001
0033485	23Jun2021	61 - 90 days	U1513507601	TAMMY	PIERRE	65757030001
0186230	16Jul2021	31 - 60 days	U1499337901	JOSEPH	MANDELLA	65757030001
0033800	19Jul2021	31 - 60 days	U1513507601	TAMMY	PIERRE	65757030001
6410819	02Aug2021	31 - 60 days	U1814590301	TRAVIS	JUPITER	65757030001
0034819	09Aug2021	31 - 60 days	U1499337901	JOSEPH	MANDELLA	65757030001
6411335	11Aug2021	0 - 30 days	00109640801	TONI	DIXON	65757030001
0033800	18Aug2021	0 - 30 days	U1513507601	TAMMY	PIERRE	65757030001
1663682	15Apr2021	61 - 90 days	U1117824401	SHELLY	CHARLES	65757030001
6051036	07May2021	120+	00132998701	GISELL	MARTINEZ	65757030001
6051036	03Jun2021	91 - 120 days	00132998701	GISELL	MARTINEZ	65757030001
33353384	12Jul2021	61 - 90 days	U2312728401	DARRYL	FISHER	65757030001
33353384	05Aug2021	31 - 60 days	U2312728401	DARRYL	FISHER	65757030001
33353580	19Aug2021	0 - 30 days	U2269562801	WILLIAM	COLLEY	65757030001
33353384	26Aug2021	0 - 30 days	U2312728401	DARRYL	FISHER	65757030001
4724419	13Apr2021	61 - 90 days	U1523072501	GULUM	ORMANCI	65757030001
1003010	17Jun2021	61 - 90 days	00082549501	PAUL	CLOSTIO	65757030001

EXHIBIT D

1. Screenshots of claims system showing POS edit language when an expected diagnosis code is incorrect or missing.

```
RCRJC003  DISPLAY          Caremark RxClaim          11/17/21
CENCHALL          Rejected Claim Response Information  15:47:29

RxCLAIM# 211543968739192  5 COB 01  Sbm Dt 10/08/2021 Version D0 Trans Cd B1
Status:  Header A   Claim R   Plan          PCRS/Chk Mail Dt
Count    001  Maint Drug Ind   Claim Pmt Cde
Profile ID CENTENE00*0000000881 X-Ref      TC

----- Reject Code ----- Messages -----
39  M/I Diagnosis Code

MISSING OR INVALID ICD-10 DIAGNOSIS CODE
ENTER DX CODE OR PA REQD.
FOR 3 DS O/R, USE PAMC 11112222333
DRUG REQUIRES PRIOR AUTHORIZATION
```

```
RCTCD005  DISPLAY          Caremark RxClaim          11/17/21
CENCHALL          Claim Transaction Details          13:10:11

RxCLAIM# 211584050289075  4 Sbm Dt 6/07/21 Ver D0 Tran Cd B1
BIN 004336 Proc Ctrl MCAIDADV Sbm Grp RX5444 Pd Dt COB 01
Pharmacy: Q1 07 ID 1936105 Name GENOA HEALTHCARE LLC Ph 225/362-5342
Rx/Srv: Q1 1 Nbr 0186854 Rf 00 Fill Dt 6/07/21 Prsn 01 DOB 9/15/1994
C 5444 A 19011R9 G STD118R9EXP X 0190STD P CENT-LA01
Member ID U1499337901 Sex M Price Submit Calc Approved
Nm MANDELLA, JOSEPH Cost 1698.35
Eff: From 7/01/20 Thru 12/31/39 Rel 1 Fee 8.00
Prod: Qual 03 ID 65757030001 FTax
Name VIVITROL INJ 380MG Gen Ind N %Tax
Mfg ALKERMES GPI 93400030001920 Inc
MQty Dsp Qty 1.000 UOM OPPR
DS 28 Cpd 1 PSC 0 Fcl OTH
PA: Ty ME # CNC7148633A QP 1.000 Prof
Presc: Qual 01 ID 1457422198 Pat
Name CALHOUN ANDREW D COB
Dx: Qual 02 Diag S1120 Due 1706.35
Sts R Rej 88 UC/W 1714.35
Local Msg . X
F2=Call Tracking F3=Exit F6=Reverse F7=Detail F10=Reject F12=Previous
F14=Note F15=Price F16=Sbm F17=DUR F18=Rej Clm Plan Option F24=More keys

RCRJC003  DISPLAY          Caremark RxClaim          11/17/21
CENCHALL          Rejected Claim Response Information  13:19:45

RxCLAIM# 211584050289075  4 COB 01  Sbm Dt 6/07/2021 Version D0 Trans Cd B1
Status:  Header A   Claim R   Plan          PCRS/Chk Mail Dt
Count    001  Maint Drug Ind   Claim Pmt Cde
Profile ID CENTENE00*0000000881 X-Ref      TC

----- Reject Code ----- Messages -----
88  DUR Reject Error

PA REQD. ENTER ICD 10 FOR ALCOHOL/OPIOID
DEPENDENCE. CONCURRENT USE WITH OPIOIDS
NOT ALLOWED. ENTER O/R 85000000542.
FOR 3 DS O/R, USE PAMC 11112222333
DRUG REQUIRES PRIOR AUTHORIZATION
```